

**Remarks by AF/W Director Phil Carter
on U.S. and International Cooperation in the Niger River Delta
Center for Strategic and International Studies
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10:00am – 01:00 p.m.**

Good morning, Dr. Morrison, and distinguished guests. When we examine the issue of the Niger Delta, when we talk “solving” problems in the Delta, we need to have a sense of scale and humility about what we can do. Twice the size of California with a population equal to that of Russia, where one in five Africans is a Nigerian, and possessing the second largest GDP in sub-Saharan Africa, Nigeria offers a stark dichotomy of wealth and poverty. Despite its oil wealth and large infusions of donor resources, many of Nigeria’s socio-economic indicators are worse now than they were over thirty years ago. We all know that Nigeria’s challenges are real. Some would say they are daunting. I believe however that they can be addressed and resolved.

Resolution will not be easy. It will not be quick. It will take time and it will be hard. A strict “top-down, outside-in” approach to development has not worked in the past, and I see no reason why it would work in the future, particularly as donor resources shrink in relation to the size of Nigeria’s economy. Development assistance flows to Nigeria are now less than one percent of Nigeria’s GDP. The solution to Nigeria’s challenges does not, cannot, and should not, reside in Washington, Paris, London or Beijing but rather in the cities, towns and villages of

Nigeria. Any successful initiative ultimately must be homegrown. We recognize the strength, wealth, and abilities of the Nigerian people to address their own development needs. The Government of Nigeria has tools at its disposal to resolve the political and socioeconomic problems of the Delta peacefully, and it has the support of countries like the United States willing to offer specific technical support in response to effective and sustained leadership. But a recognition that the solution lies with Nigerians does not mean Nigeria's partners should sit passively. The United States intends to press the incoming elected national government, the powerful and well-resourced state governments, and key non-government actors to demonstrate the moral leadership, willpower, and political to transform the Delta towards sustainable peace, prosperity, and democracy. This attention to the Delta, moreover, takes place in the context of our efforts to encourage the strengthening of Nigeria's democratic institutions and to bolster the transparency and effectiveness of anti-corruption efforts. Both campaigns – democratization and anti-corruption - are vital to resolve conflict in the Delta and both are likely to encounter new challenges and opportunities in the coming months.

Since autumn 2005, the United States, Nigeria, and its international partners have met quarterly in the “Gulf of Guinea Energy Security Strategy” to address overcoming obstacles holistically to efficient and secure energy production in the

Niger Delta. Our four focus areas are: community development; financial crimes/transparency; coastal and maritime security; and small arms trafficking.

Although Nigeria's federal government has an important role to play in addressing the challenges in the Delta, we believe that the state governors are the key to any durable solution in the Delta. The governors have enormous financial resources at their disposal thanks to high oil prices, but to date the governors have not used those resources to tackle the development challenges their constituents face and demand. Until those resources are invested in a transparent fashion to strengthen the region's infrastructure and to improve the health and education of the Delta's population, the Delta will continue to experience conflict and violence.

A few governors have made a concerted effort to improve coordination, accountability, and funding for development and poverty alleviation. A subset of the "Gulf of Guinea" initiative, the "Rivers State Sustainable Development Strategy" was one attempt by a Nigerian state government to work with development partners on these issues. A subsequent effort by Governor Jonathan to create a "Bayelsa Partnership Initiative" has built a model mechanism on paper for developing a streamlined administration, increasing the financial scale of the projects and developing more transparent accounting and communications. These initiatives must progress from the planning stage to actual implementation if they are to have a meaningful impact. It is now the task of the next Nigerian

government to work closely with the governors to unify various development initiatives into one regional strategy.

Nigeria's friends do not expect the country to "go it alone." The whole point of creating a model community investment and economic development strategy is to build partnerships with NGOs, the non-oil private sector, and local communities so that they—not various governments or the oil majors—take responsibility and leadership for program success. That will create more jobs, reduce poverty, and generate more wealth than any public sector initiative could muster on its own. We must stamp out the entitlement mentality, and create an empowerment mentality that harnesses community and private assets. Until the people of the Niger Delta really believe that they own their government, and the budgetary resources it controls and that they control their fate, we cannot expect lasting peace and security in the region.

As we discuss sustainable development, we must be eager to engage the private sector if we are to succeed. The private sector has the capacity to create more jobs, reduce poverty more, and generate more wealth than any Memorandum of Understanding or public sector initiative. Many large U.S. corporations are anxious to break into Nigeria's enormous market, and they are willing to fund job creation programs by offering education, training, and business mentoring for immediate hiring to a variety of community-based groups. These firms and other good corporate citizens can build Nigeria's infrastructure, strengthen its trade and

economy, empower Nigerians through job-creation, and partner on education, training, and business mentoring programs in their communities. The Government's role is to provide "rules of the road" and to create a climate of trust, security, and predictability for business planning.

We applaud the Nigerian government's courage to embrace the results of its Extractive Industries Transparency Initiative (NEITI) audit and ask it to do more to account for oil revenues at the national and state levels. Audits in other sectors also will strengthen national sovereignty, economy, and foster democracy. The United States is willing to help develop transparent accounting systems for future oil revenues at the state and the federal parastatal levels. The United States will also be working with the Nigerian government to empower citizens to engage with local governments to improve service delivery in selected states of the Niger Delta. To succeed, this technical assistance must be matched by a commitment from political leaders at all levels to embrace accountability and to empower independent and non-government watchdogs.

On other anti-corruption initiatives, the United States is willing to fund and provide training to combat money laundering, strengthen customs enforcement, and offer advisors for state budget transparency. We welcome the chance to expand community-policing projects from Kaduna into the Delta region to improve police performance and respect human rights as well link policy to aspirations of

the local populace. We are also in the process of providing state-of-the-art security equipment for all of Nigeria's international airports.

Not all of the Delta's problems are tied solely to humanitarian concerns. Many militants are criminally motivated in kidnapping foreigners and have betrayed the non-violent social justice sought by the environmentalist and human rights activist Ken Saro-Wiwa. The United States remains concerned about the vast availability of illicit small arms and light weapons, some very sophisticated, in Nigeria, especially to these militants and criminal gangs. We know the availability of weapons is hindering productive work in community development and oil security. We know it is facilitating the aims of those who are planning to kidnap Americans as well as Nigerian nationals. We know that this weaponry also could have devastating effects on Nigeria's military and civil aviation. We have offered to assist and fund efforts such as stockpile security and management, and the destruction of collected and surplus weapons, if we are assured at the highest level that all Nigerian authorities concerned will support the project. If the Government of Nigeria is willing to support a unified approach, the United States could also provide relevant border security programs, including "stop and search" training.

The United States is eager to help Nigeria address other security challenges in the Delta through offshore surveillance and interdiction among other areas as outlined by the previous speaker, Theresa Whelan of DoD.

As the Government of Nigeria tackles the dilemma of oil theft, the United States also has encouraged the private sector to facilitate innovative, market-based solutions that provide a net fiscal benefit the Nigerian government, and that increase transparency and efficiency to the energy and maritime industries.

The conduct of Nigeria's electoral process in April also will be an important barometer to evaluate the country's state of good governance and transparency. We all know that. That is why these elections in April also are so important in the Delta, and that is why the United States has provided over \$15 million over the past three years to train political parties, electoral commission staff, and civil society in facilitating preparation for free and fair polls. We continue to engage with Nigerian officials to address perceived shortcomings in current preparations. Credible elections should open up political space and provide officials with the means follow up with concrete measures, delivering services and good governance. Ultimately, the Nigerian people must determine whether these elections are acceptable to them.

In conclusion, the United States wants to help Nigeria's federal and state governments invest in their people in a transformational way. By having Nigerians own the process, we help to empower the population to resolve political issues peacefully and to build strong, lasting democratic Nigerian institutions. We strongly believe in Nigeria as an anchor for Africa's security and prosperity. There

is no alternative in the Delta; the best road forward passes through dialogue and cooperation. Thank you.